



CITY OF CARLSBAD - AGENDA BILL

AB#		REPORT ON CITY INVESTMENTS	DEPT. HEAD	
MTG.		AS OF JULY 31, 2007	CITY ATTY.	
DEPT.	TRS		CITY MGR.	

RECOMMENDED ACTION:

Accept and file report.

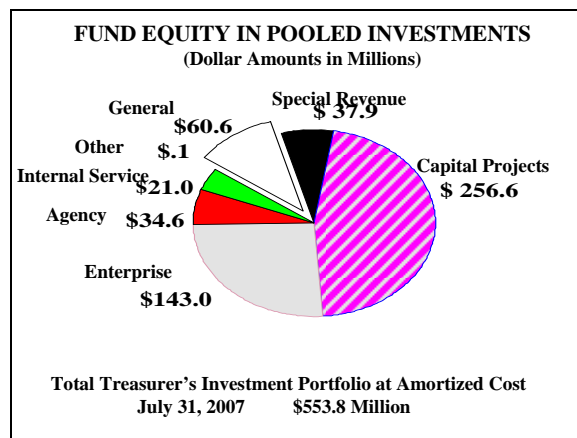
ITEM EXPLANATION:

The City's Investment Policy requires the City Treasurer to report to the City Council on a monthly basis the status of the City's pooled investment portfolio. A quarterly report is also required for the investments of bond proceeds held separately. The City's pooled investment portfolio as of the month ended July 31, 2007 is summarized below.

Pooled Investment Portfolio (Cash and Securities)		
	Current Month	Prior Month
Par Value	554,038,819	557,470,022
Cost of Investments	553,280,969	556,524,708
Amortized Cost (1)	553,847,157	557,099,175
Market Value (2)	551,882,000	553,618,075

- (1) The cost of investments adjusted for amortized premiums and discounts.
 (2) The amount at which the investments could be sold. Source of market values is Union Bank of California's custodial report as of 7/31/07.

The equity portion of the various funds in the total portfolio is summarized in the graph below. Fund balances are restricted for various purposes. See Exhibit 7 for a more detailed breakdown.



FOR CITY CLERKS USE ONLY.

COUNCIL ACTION:	APPROVED	<input type="checkbox"/>	CONTINUED TO DATE SPECIFIC	<input type="checkbox"/>	_____
	DENIED	<input type="checkbox"/>	CONTINUED TO DATE UNKNOWN	<input type="checkbox"/>	
	CONTINUED	<input type="checkbox"/>	RETURNED TO STAFF	<input type="checkbox"/>	
	WITHDRAWN	<input type="checkbox"/>	OTHER – SEE MINUTES	<input type="checkbox"/>	
	AMENDED	<input type="checkbox"/>			

DEPARTMENT CONTACT: Nancy Sullivan (760) 602-2473 nsull@ci.carlsbad.ca.us

Pooled Investment Interest Income			
	Current Month FYTD	Prior Month FYTD	Current Month Income
Cash Income Fiscal Year-to-Date *	2,819,087	0	2,819,087

*The cash income received is adjusted for any accrued interest purchased.

Pooled Investment Performance/Measurement			
	Average Life (Years)	Average Yield To Maturity	Modified Duration
May 2007	1.93	4.44%	1.751
June 2007	1.87	4.47%	1.686
July 2007	1.86	4.50%	1.681

All pooled investments have been made in accordance with the City's Investment Policy adopted January 2, 1985 and last revised February 13, 2007. All investments were initially made in accordance with the City's Investment Policy. Events subsequent to the purchase might have resulted in some investments not being in compliance with the current policy. These events are typically a change in the City's Investment Policy, a change in the credit rating subsequent to a purchase, or a temporary reduction in total portfolio assets. See Exhibit 8 for details.

The pooled investment portfolio has the ability to meet the City's cash flow demands for the next six (6) months.

EXHIBITS FOR POOLED INVESTMENTS:

1. Investment Portfolio Breakdown By Amortized Cost, Market Value, Cash Income, and Average Yield
2. Investment Portfolio Breakdown Of Maturities
3. Yield Comparison Graph
4. Cumulative Cash Income Graph
5. First Quarter Transactions
6. Detailed Investment Report
7. Fund Equity in Pooled Investments
8. Corporate Note and Commercial Paper Ratings
9. Percentage Weightings By Corporate Note Issuer

**CITY OF CARLSBAD INVESTMENT PORTFOLIO
AS OF JULY 31, 2007**

BREAKDOWN BY AMORTIZED COST, MARKET VALUE, CASH INCOME, AND AVERAGE YIELD BY CLASS

<u>Class</u>	<u>AMORTIZED COST</u>		<u>MARKET VALUE</u>		<u>Cash Income Year to Date</u>	<u>AVERAGE YIELD</u>	
	<u>Current Month</u>	<u>Prior Month</u>	<u>Current Month</u>	<u>Prior Month</u>		<u>Current Month</u>	<u>Prior Month</u>
CD	504,092	504,092	504,092	504,092	1,974	4.69	4.69
FN	0	0	0	0	0	0.00	0.00
CP	0	0	0	0	0	0.00	0.00
TR	0	0	0	0	0	0.00	0.00
FA	454,034,343	457,129,751	452,380,454	454,216,500	2,250,307	4.38	4.35
CN	55,048,995	55,064,401	54,737,728	54,496,553	67,500	4.98	4.98
LAIF	42,096,249	35,982,000	42,096,249	35,982,000	487,281	5.25	5.24
CUSTODY	-	-	0	0	603	4.82	4.80
SWEEP	1,310,832	7,545,418	1,310,832	7,545,418	11,422	4.13	4.28
BANK ACCT	852,646	873,513	852,646	873,513	0	4.13	4.28
TOTALS	\$553,847,157	\$557,099,175	\$551,882,000	\$553,618,075	\$2,819,087	4.50%	4.47%

CD - Certificate of Deposit
FN - Federal Discount Notes
CP - Corporate Paper

TR - US Treasury
FA - Federal Agency
CN - Corporate Notes

LAIF - Local Agency Investment Fund
Custody - Union Bank of California Cash account
SWEEP - Wells Fargo Bank Overnight Cash account
Bank Account - Wells Fargo Bank Cash account

**CITY OF CARLSBAD INVESTMENT PORTFOLIO
AS OF JULY 31, 2007**

BREAKDOWN OF MATURITIES BY CLASSIFICATION AND LENGTH OF TIME

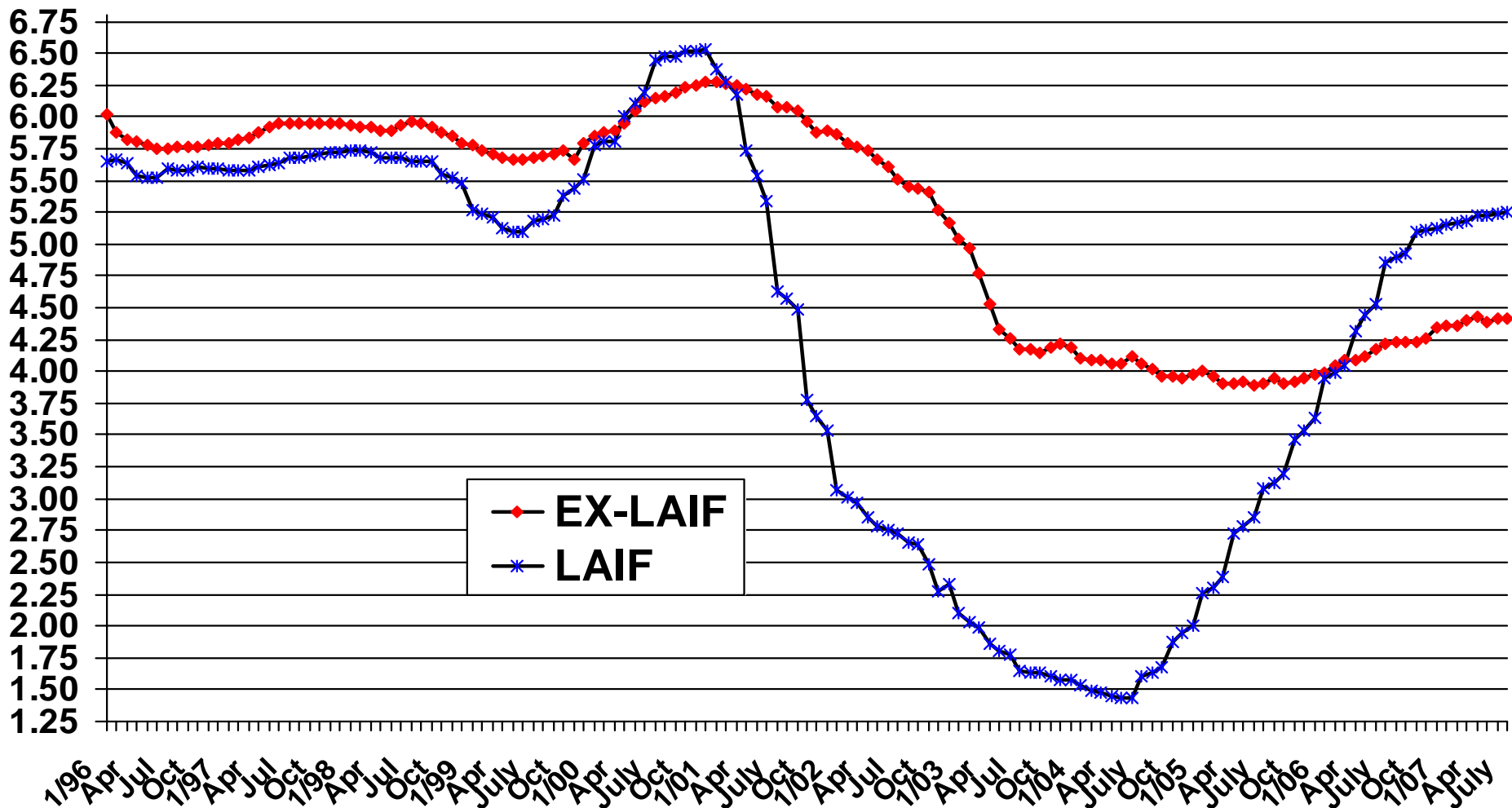
<u>CLASS</u>	<u>WITHIN 6 MONTHS</u>	<u>7 MONTHS TO 1 YEAR</u>	<u>1 TO 5 YEARS</u>	<u>TOTAL</u>	<u>% TOTAL</u>
CD	504,092	0	0	504,092	0.1%
FN	0	0	0	0	0.0%
CP	0	0	0	0	0.0%
TR	0	0	0	0	0.0%
FA	66,723,968	65,830,041	320,485,813	453,039,822	81.9%
CN	4,384,236	2,999,690	48,093,402	55,477,329	10.0% (2)
LAIF	42,096,249	0	0	42,096,249	7.6%
CUSTODY	0	0	0	0	0.0%
SWEEP	1,310,832	0	0	1,310,832	0.2%
BANK ACCT	852,646	0	0	852,646	0.2%
TOTALS	\$115,872,023 (1)	\$68,829,731 (1)	\$368,579,215	\$553,280,969	100.0%
% TOTALS	20.9%	12.4%	66.6%	100.0%	
Total within One Year		\$184,701,754 (1) 33.4%			

POLICY: (1) Not less than \$128,200,000 to mature within one year. (2/3rds of current year operating budget of \$192,300,000.00
(2) Policy states that not more than 30% of portfolio is to be invested in corporate notes

YIELD COMPARISON

PORTFOLIO EX-LAIF VS. LAIF

JULY 1996 – JULY 2007



Cumulative Cash Income

FY07-08

(July 07 - June 08)

